Confidential Offering Memorandum

5064-66 NIAGARA AVENUE

OCEAN BEACH
SAN DIEGO, CA 92107

MD REAL ESTATE

CBRE

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INVESTMENT OVERVIEW

EXECUTIVE SUMMARY

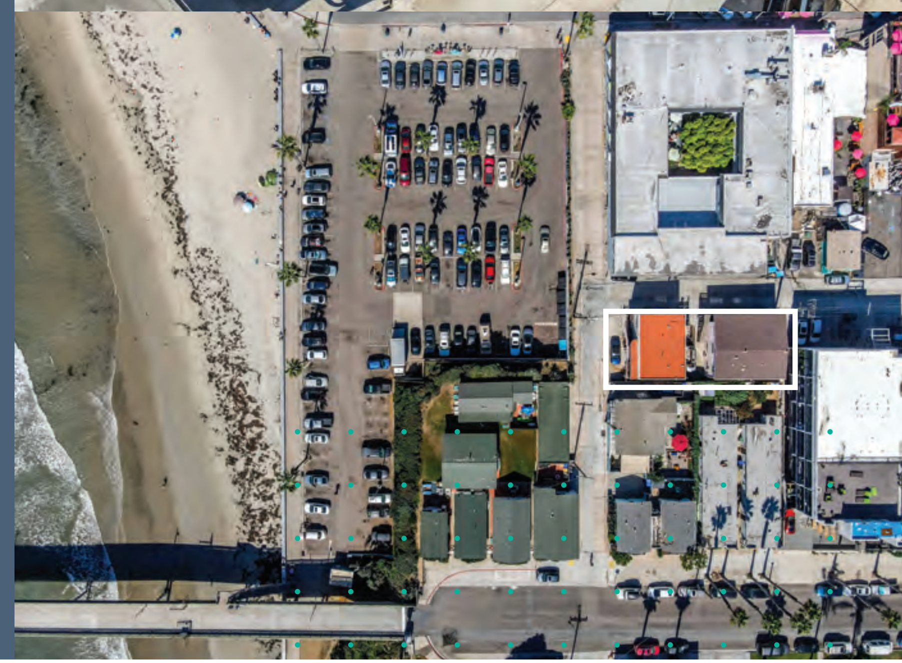
CBRE in collaboration with MD Real Estate is pleased to present 5064–5066 Niagara Avenue, a 6-unit multifamily property located just steps from the sand in the highly coveted Ocean Beach neighborhood of San Diego, California. Positioned just a few properties from the Ocean Beach Pier and one block from Newport Avenue, the property offers an exceptional opportunity to acquire a near-beach asset in one of San Diego's most vibrant coastal communities.

The property consists of two two-story buildings and features a well-balanced unit mix of one (1) three-bedroom / two-bath unit (approximately 1,320 square feet) and five (5) one-bedroom / one-bath units (ranging from approximately 497 to 619 square feet). The units have been well maintained with partial interior upgrades, offering a blend of classic coastal character and functional layouts.

Interior finishes include a mix of vinyl plank, tile, and hardwood flooring, along with updated kitchens featuring quartz or laminate countertops, custom cabinetry in select units, and tiled showers with upgraded vanities. The property provides three single-car garages accessed via the alley, along with two tandem parking spaces, offering a total of seven off-street parking spaces, a highly desirable amenity in this submarket.

5064–5066 Niagara Avenue presents a compelling value-add opportunity through further interior renovations and repositioning to capture premium coastal rental rates. Additionally, the existing garage configuration may provide ADU conversion potential (buyer to verify), offering the opportunity to further increase density and long-term income.

With its irreplaceable coastal location, proximity to the beach and Newport Avenue, and significant upside potential, 5064–5066 Niagara Avenue represents a rare opportunity to acquire a well-located asset in one of San Diego's most supply-constrained rental markets.



INVESTMENT HIGHLIGHTS

- **Premier Ocean Beach Location Steps from the Sand**
  Located just a few properties from Ocean Beach Pier and one block from Newport Avenue's retail and dining corridor.

- **Rare Near-Beach Asset with Ocean Views**
  Select units offer panoramic ocean views, enhancing tenant appeal and rental upside.

- **Value-Add Opportunity Through Interior Renovation**
  Opportunity to reposition units to premium finishes and achieve market-leading coastal rents.

- **ADU Potential via Garage Conversion (Buyer to Verify)**
  Ability to add one or more units through conversion of existing garage space.

- **Seven Off-Street Parking Spaces**
  Includes three single-car garages and two tandem spaces, a highly desirable amenity in Ocean Beach.

5064-66 NIAGARA AVENUE

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FINANCIAL ANALYSIS

FINANCIAL ANALYSIS

Rent Roll Summary

				Current		Market Stabilized		Post Renovation	
Unit Type	**# of Units**	**Avg Sq Feet**	**Rental Range**	**Avg Rent**	**Monthly Income**	**Avg Rent**	**Monthly Income**	**Avg Rent**	**Monthly Income**
1-Bedroom / 1-Bath	5	450	$2,140-$2,595	$2,436	$12,180	$2,980	$14,900	$3,260	$16,300
3-Bedroom / 2-Bath	1	1200	$4,475	$4,475	$4,475	$4,500	$4,500	$5,200	$5,200
Totals / Weighted Avg	**6**	**3,450**			**$16,655**		**$19,400**		**$21,500**
Gross Annualized Rents					**$199,860**		**$232,800**		**$258,000**

Rent Roll Detail

			Current		Market Stabilized		Post Renovation	
Unit	Unit Type	Square Feet	Rent / Month	Rent / SF / Month	Rent / Month	Rent / SF / Month	Rent / Month	Rent / SF / Month
5064	1-Bedroom / 1-Bath	400	$2,140	$5.35	$2,900	$7.25	$3,200	$8.00
5064 B	1-Bedroom / 1-Bath	450	$2,450	$5.44	$2,900	$6.44	$3,200	$7.11
5064.5 A	1-Bedroom / 1-Bath	600	$2,495	$4.16	$2,700	$4.50	$2,900	$4.83
5064.5 B	3-Bedroom / 2-Bath	1200	$4,475	$3.73	$4,500	$3.75	$5,200	$4.33
5066	1-Bedroom / 1-Bath	400	$2,500	$6.25	$3,200	$8.00	$3,500	$8.75
5066.5	1-Bedroom / 1-Bath	400	$2,595	$6.49	$3,200	$8.00	$3,500	$8.75
Total		**3,450**	**$16,655**	**$4.83**	**$19,400**	**$5.62**	**$21,500**	**$6.23**

Operating Statement

INCOME	Current		Market Stabilized		Post Renovation	
Gross Scheduled Rent		$199,860		$232,800		$258,000
Less: Vacancy / Deductions	3%	$5,996	3%	$6,984	3%	$7,740
Total Effective Rental Income		$193,864		$225,816		$250,260
Laundry Income		$840		$840		$840
Garage Income		$-		$7,200		$7,200
Effective Gross Income		$194,704		$233,856		$258,300
Less: Expenses	36.48%	$70,719	32.18%	$72,677	29.53%	$73,899
Net Operating Income		$123,985		$161,179		$184,401
Cash Flow		$123,985		$161,179		$184,401
Debt Service		$103,895		$103,895		$103,895
Net Cash Flow After Debt Service	1.26%	$20,091	3.58%	$57,285	5.03%	$80,507
Principal Reduction		$18,154		$18,154		$18,154
Total Return	**2.39%**	**$38,245**	**4.71%**	**$75,439**	**6.17%**	**$98,661**

EXPENSES	Current		Market Stabilized		Post Renovation	
Real Estate Tax		$36,491		$36,491		$36,491
Insurance		$3,672		$3,672		$3,672
Water & Sewer		$3,200		$3,200		$3,200
SDG&E		$9,096		$9,096		$9,096
Repairs & Maintenance		$5,100		$5,100		$5,100
Trash		$3,425		$3,425		$3,425
Management Fee	5%	$9,735.21	5%	$11,692.80	5%	$12,915.00
Total Expense		$70,719		$72,677		$73,899
Expense as a % of EGI		36.48%		32.18%		29.53%
Net Operating Income		**$123,985**		**$161,179**		**$184,401**

Pricing Details

SUMMARY	
Price	$3,000,000
Number of Units	6
Price Pr Unit	$500,000
Price Per SF	$773.20
Rentable SF	3,880
Lot Size	3,940
Approx. Year Built	1945

RETURNS	CURRENT	MARKET STABILIZED	POTENTIAL
Cap Rate	4.13%	5.37%	6.15%
GRM	15.01	12.89	11.63
Cash-on-Cash	1.26%	3.58%	5.03%
Debt Coverage Ratio	1.19	1.55	1.77

FINANCING	1ST LOAN
Down Payment	$1,600,000
Loan Amount	$1,400,000
Loan Type	Proposed New
Interest Rate	6.20%
Amortization	30 Years
Term	30 Years

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SALES COMPARABLES

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5064-66 Niagara Avenue, San Diego CA 92107

Sales Date		N/A
Status		On Market
Sales Price		$3,000,000
Price/Unit		$500,000
Price Per SF		$773.20
Cap Rate		4.13%
Number of Units		6
GBA/Rentable SF		4,073
Year Built		1960
NOI		$123,985
# Units / Unit Type	5	1-Bed/1-Bath
# Units / Unit Type	1	3-Bed/1-Bath

4768 Coronado, San Diego CA 92107

Sales Date		12/12/2025
Status		Sold
Sales Price		$2,200,000
Price/Unit		$550,000
Price Per SF		$754
Cap Rate		2.71%
Number of Units		4
GBA/Rentable SF		2,919
Year Built		1960
# Units / Unit Type	1	1-Bed/1-Bath
# Units / Unit Type	3	2-Bed/1-Bath

4867 Santa Cruz Ave, San Diego CA 92107

Sales Date		10/20/2025
Status		Sold
Sales Price		$3,800,000
Price/Unit		$422,222
Price Per SF		$588.96
Cap Rate		5.82%
Number of Units		9
GBA/Rentable SF		6,452
Year Built		1971
# Units / Unit Type	6	1-Bed/1-Bath
# Units / Unit Type	3	2-Bed/1-Bath

4941 Saratoga Avenue, San Diego CA 92107

Sales Date		7/15/2025
Status		Sold
Sales Price		$2,650,000
Price/Unit		$441,667
Price Per SF		$707.42
Cap Rate		n/a
Number of Units		6
GBA/Rentable SF		3,746
Year Built		1949
# Units / Unit Type	6	2-Bed/1-Bath

1575-1585 Cable St, San Diego CA 92107

Sales Date		6/27/2025
Status		Sold
Sales Price		$2,600,000
Price/Unit		$433,333
Price Per SF		$520.00
Cap Rate		4.94%
Number of Units		6
GBA/Rentable SF		5,000
Year Built		1951
# Units / Unit Type	2	1-Bed/1-Bath
# Units / Unit Type	4	2-Bed/1-Bath

4986 Santa Monica Ave San Diego CA 92107

Sales Date		9/16/2024
Status		Sold
Sales Price		$4,500,000
Price/Unit		$450,000
Price Per SF		$618.13
Cap Rate		3.89%
Number of Units		10
GBA/Rentable SF		7,280
Year Built		1971
# Units / Unit Type	6	1-Bed/1-Bath
# Units / Unit Type	4	2-Bed/1.5-Bath

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MARKET OVERVIEW

OCEAN BEACH, SAN DIEGO

A Premier Coastal Neighborhood Defined by Steady Demand, Limited Supply, and Lasting Value

Ocean Beach is one of San Diego's most iconic coastal neighborhoods, offering a rare blend of laid-back beach culture, strong community identity, and long-term rental demand. Located at the western edge of the city, the neighborhood is defined by its classic Southern California surf vibe, historic cottages and apartments, and proximity to Sunset Cliffs and the Pacific Ocean. Unlike more polished coastal enclaves, Ocean Beach embraces its eclectic, bohemian character, which continues to attract a diverse tenant base ranging from young professionals and students to long-term locals and lifestyle renters seeking walkable access to the beach.

The area benefits from strong connectivity, situated just minutes from Point Loma, Mission Bay, and major freeways, with convenient access to Downtown San Diego and the San Diego International Airport. Rental demand in Ocean Beach is consistently high, supported by limited housing supply, steady population inflows, and the neighborhood's enduring appeal as one of the few true "beach towns" left in Southern California. Median household incomes in surrounding coastal communities are well above the San Diego average, and vacancy rates in Ocean Beach remain low, reflecting both the scarcity of rental product and the lifestyle-driven demand.

Ocean Beach's main commercial corridor along Newport Avenue adds further vibrancy, offering independent restaurants, cafes, breweries, and surf shops that reinforce the neighborhood's self-contained appeal. Outdoor amenities are central to its value proposition, with residents enjoying daily access to the beach, pier, tide pools, and nearby biking and hiking trails.

For investors, Ocean Beach stands out as a high-demand submarket with strong fundamentals: limited development opportunities due to coastal zoning restrictions, consistently high retention among tenants, and long-term appreciation driven by the scarcity of true beachfront communities in San Diego. With its unique cultural identity, strong rental base, and high barriers to entry, Ocean Beach represents a durable and differentiated multifamily investment opportunity within the broader San Diego metro.

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